

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION*

December 2018

Dear Shareholder

InterContinental Hotels Group PLC (IHG) Circular and Notice of General Meeting (GM)

Further to the announcement made on Friday, 19 October 2018 regarding a US\$500m special dividend with share consolidation, I am pleased to enclose the Circular and Notice of IHG's General Meeting. The GM will be held at 10.00am on Friday, 11 January 2019, at the Crowne Plaza London Kings Cross, 1 King's Cross Road, London WC1X 9HX.

The Notice of GM, together with the enclosed Form of Proxy, set out the resolutions to be put to the GM and information about the business of the GM.

Special dividend

The Board announced in October 2018 its intention to return US\$500 million to shareholders by way of a special dividend with a share consolidation. The proposed special dividend represents US\$2.621 per existing ordinary share. The corresponding amount in pounds sterling will be announced on Thursday, 17 January 2019, calculated based on the average of the market exchange rates for the three dealing days commencing Monday, 14 January 2019. The special dividend is expected to be paid on Tuesday, 29 January 2019 to shareholders on the register at the close of business on Friday, 11 January 2019.

Share Consolidation

The proposed share consolidation in connection with the special dividend is intended to maintain comparability, as far as possible, of IHG's share price before and after the payment of the special dividend.

As all ordinary shares in IHG will be consolidated, each shareholder's percentage holdings in the total issued share capital of IHG immediately before and after the implementation of the share consolidation will (save in respect of fractional entitlements) remain unchanged.

The share consolidation will replace every 20 existing ordinary shares with 19 new ordinary shares. Fractional entitlements arising from the share consolidation will be aggregated and sold in the market on behalf of the relevant shareholders. The proceeds of the sale are expected to be sent to shareholders on Wednesday, 23 January 2019.

Further details of the special dividend and share consolidation are set out in the Circular and Notice of GM.

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Recommendation

The Directors believe that the adoption of the resolutions set out in the Notice of GM is in the best interests of IHG and its shareholders as a whole. Accordingly, the Directors unanimously recommend that you vote in favour of the resolutions, as each Director intends to in respect of his or her own beneficial holdings.

Your vote is important to us, so, if you cannot attend the GM, please complete, sign and return the enclosed Form of Proxy to our Registrar, Equiniti. Alternatively, you can register your vote in advance electronically at www.sharevote.co.uk. You will need the Voting ID, Task ID and Shareholder Reference Number shown on your Form of Proxy. The results of the voting will be published on our website as soon as practicable after the GM.

Electronic Communications

If, in the future, you wish to receive an email notification (rather than a letter on paper) whenever shareholder documents and information are available on our website, please register your email address at www.shareview.co.uk. You will need your Shareholder Reference Number which can be found on your Form of Proxy. We will then send you an email message each time we display a shareholder document on our website.

Additional information

If at any time you want to change the way you receive shareholder documents or have any queries regarding this letter, please contact our Registrar at the following address:

Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA

Telephone: 0333 207 6535^a (UK calls)
+44 (0) 121 415 0821 (non-UK calls)
0371 384 2255^a (textphone^b for UK calls)
+44 (0) 121 415 7028 (textphone^b for non-UK calls)

I look forward to seeing as many of you as possible at the GM and answering any questions that you may have.

Yours faithfully



Patrick Cescau
Chairman

* If you are in any doubt as to what action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser authorised under the Financial Services and Markets Act 2000 as soon as possible.

If you have sold or transferred all your shares in InterContinental Hotels Group PLC, please pass this letter and the accompanying documents to the stockbroker, bank or other agent through whom you made the sale or transfer for forwarding on to the purchaser or transferee.

This notification is not a summary of the business to be transacted at the GM and should not be regarded as a substitute for reading the Notice of GM in full before taking a decision.

^a Lines are open 8.30am–5.30pm Monday to Friday, excluding public holidays in England and Wales.

^b Callers must have compatible equipment.